

Notice to Texas Cigarette Distributors

The Texas Cigarette Stamping Allowance Changed on Oct. 1, 2011

The stamping allowance, to which Texas cigarette distributors are entitled for providing the service of affixing tax stamps to cigarette packages, was changed by the 82nd Texas Legislature. Senate Bill 1, Article 11 reduced the amount from 3 percent to 2.5 percent of the face value of stamps purchased. The new 2.5 percent stamping allowance applies only to cigarette stamps purchased by a distributor from the Comptroller's office on or after Oct. 1, 2011.

Out-of-state distributors will only be entitled to receive the same percentage of stamping allowance as that given to Texas distributors doing business in the out-of-state distributor's home state.

